

Please amend the claims as follows:

14. (Currently amended) A method of making a smectite clay slurry of a naturally occurring clay, comprising:

(a) dispersing one or more naturally occurring smectite clays, one or more phosphonate additives and water to form a clay slurry;

(b) shearing the clay slurry; and

(c) adjusting ~~the~~ a pH of the clay slurry to above 5.5 ~~about 4.5~~.

15. (Previously presented) A method according to claim 14, wherein the naturally occurring smectite clay is hectorite.

16. (Previously presented) A method according to claim 14, wherein the phosphonate additive is 1-hydroxyethylene-1,1-diphosphonic acid tetra sodium salt.

17. (Previously presented) A method of making a smectite clay slurry of a naturally occurring clay according to claim 14, wherein the shearing is performed by a Gaulin homogenizer.

18-22. (Cancelled)

23. (Currently amended) A method of making a smectite clay slurry of a naturally occurring clay, comprising:

(i) dispersing one or more naturally occurring smectite clays and one or more phosphonate additives with water to form a clay slurry, wherein the phosphonate additives are selected from the group consisting of:

a) Diphosphonic acids of formula  $R^1R^2C(PO(OH)_2)_2$ ,

b) Disphosphonic acids of formula  $R^1-CR^2(PO(OH)_2)-R^3-CR^2PO(OH)_2-R^1$ ,

c) salts thereof, and

d) Phosphonic acid salts of formula  $R^1R^4C= C(PO(OH)_2)_2$ ,

where  $R^1$  is selected from the group consisting of H, a linear or branched alkyl, alkene, hydroxyalkyl, aminoalkyl, hydroxyalkene, aminoalkene with 1 to 22 carbon atoms and an

aryl, hydroxyaryl, aminoaryl with 6 to 22 carbon atoms; R<sup>2</sup> is selected from the group consisting of R<sup>1</sup> and OH; R<sup>3</sup> is an alkyl with 0 to 22 carbon atoms; and R<sup>4</sup> is selected from the group R<sup>1</sup>; and

(ii) shearing the clay slurry; and

(iii) adjusting ~~the~~ a pH of the clay slurry to above 5.5 ~~about 4.5~~.

24. (Cancelled)

25. (Currently amended) The method of claim 14, further comprising preparing a dry mix of the naturally occurring clay and one or more phosphonate additives prior to dispersing with water.

26. (Currently amended) The method of claim 23, further comprising preparing a dry mix of the naturally occurring clay and one or more phosphonate additives prior to dispersing with water.

27. (Previously presented) The method of claim 14 wherein at least one of the one or more naturally occurring smectite clays are sodium exchanged clays.

28. (Cancelled) The method of claim 14, further comprising adjusting the pH of the clay slurry to above about 5.5.

29. (Currently amended) The method of claim 14, further comprising adjusting the pH of the clay slurry to between ~~about 6 to~~ and 11.

30. (Currently amended) A method of making a smectite clay slurry from ~~of~~ a naturally occurring clay, comprising:

(a) dispersing one or more sodium exchanged naturally occurring smectite clays, one or more phosphonate additives and water to form a clay slurry;

(b) shearing the clay slurry; and

(c) adjusting ~~the~~ a pH of the clay slurry to above 5.5 ~~about 4.5~~.

31. (New) The method of claim 23, further comprising adjusting the pH of the clay slurry to between 6 and 11.
32. (New) The method of claim 14, wherein the pH of the clay slurry is adjusted by adding HCl,  $\text{H}_3\text{PO}_4$ ,  $\text{H}_2\text{SO}_4$ , or  $\text{CH}_3\text{COOH}$ .
33. (New) The method of claim 23, wherein the pH of the clay slurry is adjusted by adding HCl,  $\text{H}_3\text{PO}_4$ ,  $\text{H}_2\text{SO}_4$ , or  $\text{CH}_3\text{COOH}$ .